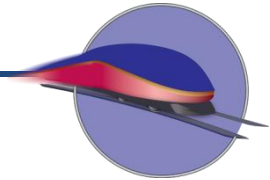


Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## High-Speed Intercity Passenger Rail (HSIPR) Program

### Track 2–Corridor Programs:

### Application Form



Welcome to the Application Form for Track 2–Corridor Programs of the Federal Railroad Administration’s High-Speed Intercity Passenger Rail (HSIPR) Program.

This form will provide information on a cohesive set of projects—representing a phase, geographic segment, or other logical grouping—that furthers a particular corridor service.

**Definition:** For purposes of this application, a “Corridor Program” is “a group of projects that collectively advance the entirety, or a ‘phase’ or ‘geographic section,’ of a corridor service development plan.” (*Guidance, 74 Fed. Reg. 29904, footnote 4*). A Corridor Program must have independent utility and measurable public benefits.

In addition to this application form and required supporting materials, applicants are required to submit a Corridor Service Overview.

An applicant may choose to represent its vision for the entire, fully-developed corridor service in one application or in multiple applications, provided that the set of improvements contained in each application submitted has independent utility and measurable public benefits. The same Service Development Plan may be submitted for multiple Track 2 Applications. Each Track 2 application will be evaluated independently with respect to related applications. Furthermore, FRA will make its evaluations and selections for Track 2 funding based on an entire application rather than on its component projects considered individually.

We appreciate your interest in the HSIPR Program and look forward to reviewing your entire application. If you have questions about the HSIPR program or the Application Form and Supporting Materials for Track 2, please contact us at [HSIPR@dot.gov](mailto:HSIPR@dot.gov).

#### Instructions for the Track 2 Application Form:

- Please complete the HSIPR Application electronically. See Section G of this document for a complete list of the required application materials.
- In the space provided at the top of each section, please indicate the Corridor Program name, date of submission (mm/dd/yyyy), and an application version number assigned by the applicant. The Corridor Program name must be identical to the name listed in the Corridor Service Overview Master List of Related Applications. Consisting of less than 40 characters, the Corridor Program name must consist of the following elements, each separated by a hyphen: (1) the State abbreviation of the State submitting this application; (2) the route or corridor name that is the subject of the related Corridor Service Overview; and (3) a descriptor that will concisely identify the Corridor Program’s focus (e.g., HI-Fast Corridor-Main Stem).

- Section B, Question 10 requires a distinct name for each project under this Corridor Program. Please the following the naming convention: (1) the State abbreviation; (2) the route or corridor name that forms part of the Corridor Program name; and (3) a project descriptor that will concisely identify the project's focus (e.g., HI-Fast Corridor-Wide River Bridge). For projects previously submitted under another application, please use the **same name** previously used on the project application.
- For each question, enter the appropriate information in the designated gray box. If a question is not applicable to your Track 2 Corridor Program, please indicate "N/A."
- Narrative questions should be answered within the limitations indicated.
- Applicants must up load this completed and all other application materials to [www.GrantSolutions.gov](http://www.GrantSolutions.gov) by October 2, 2009 at 11:59 pm EDT.
- Fiscal Year (FY) refers to the Federal Government's fiscal year (Oct. 1- Sept. 30).

Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## A. Point of Contact and Application Information

<b>(1) Application Point of Contact (POC) Name:</b> Mehdi Morshed		<b>POC Title:</b> Executive Director		
<b>Applicant State Agency or Organization Name:</b> California High Speed Rail Authority				
<b>Street Address:</b> 925 L Street, Suite 1425	<b>City:</b> Sacramento	<b>State:</b> CA	<b>Zip Code:</b> 95814	<b>Telephone Number:</b> 916-324-1541
<b>Email:</b> mmorshed@hsr.ca.gov		<b>Fax:</b> 916-322-0827		

Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## B. Corridor Program Summary

(1) **Corridor Program Name:** CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA

(2) **What are the anticipated start and end dates for the Corridor Program?** (mm/yyyy)

**Start Date:** 07/2009

**End Date:** 03/2013

(3) **Total Cost of the Corridor Program:** (Year of Expenditure (YOE) Dollars\*) \$ 45,000,000.00

**Of the total cost above,, how much would come from the FRA HSIPR Program:** (YOE Dollars\*\*) \$ 22,500,000.00

**Indicate percentage of total cost to be covered by matching funds:** 50 %

**Please indicate the source(s) for matching funds:** State bonds and local funding

\* Year-of-Expenditure (YOE) dollars are inflated from the base year. Applicants should include their proposed inflation assumptions (and methodology, if applicable) in the supporting documentation.

\*\* This is the amount for which the Applicant is applying.

(4) **Corridor Program Narrative.** Please limit response to 12,000 characters.

Describe the main features and characteristics of the Corridor Program, including a description of:

- The location(s) of the Corridor Program's component projects including name of rail line(s), State(s), and relevant jurisdiction(s) (include a map in supporting documentation).
- How this Corridor Program fits into the service development plan including long-range system expansions and full realization of service benefits.
- Substantive activities of the Corridor Program (e.g., specific improvements intended).
- Service(s) that would benefit from the Corridor Program, the stations that would be served, and the State(s) where the service operates.
- Anticipated service design of the corridor or route with specific attention to any important changes that the Corridor Program would bring to the fleet plan, schedules, classes of service, fare policies, service quality standards, train and station amenities, etc.
- How the Corridor Program was identified through a planning process and how the Corridor Program is consistent with an overall plan for developing High-Speed Rail/Intercity Passenger Rail service, such as State rail plans or plans of local/regional MPOs.
- How the Corridor Program will fulfill a specific purpose and need in a cost-effective manner.
- The Corridor Program's independent utility.
- Any use of new or innovative technologies.
- Any use of railroad assets or rights-of-way, and potential use of public lands and property.
- Other rail services, such as commuter rail and freight rail that will make use of, or otherwise be affected by, the Corridor Program.
- Any PE/NEPA activities to be undertaken as part of the Corridor Program, including but not limited to: design studies and resulting program documents, the approach to agency and public involvement, permitting actions, and other key activities and objectives of this PE/NEPA work.

**The Altamont Corridor will serve as a feeder to the statewide California High-Speed Train (HST) System.**

The Altamont Corridor Rail Project from San Jose to Stockton, California will connect the Northern San Joaquin Valley and the San Francisco Bay Area, via the Altamont Pass and Tri Valley area. The California High-Speed Rail Authority (Authority), in

conjunction with the San Joaquin Regional Rail Commission (SJRRRC), is proposing to develop a dedicated intercity and regional rail corridor through Altamont Pass and the Tri Valley area capable of transforming the existing Altamont Commuter Express (ACE) service managed by SJRRRC into a higher-speed intercity and commuter service not subject to freight railroad delays with an expanded operating plan providing service in both directions all day long. The corridor will also connect to the California HST mainline between Stockton and Modesto allowing the Altamont Corridor to serve as a feeder to the statewide HST system being planned and developed by the Authority.

**The Altamont Corridor will be compatible with the California HST System.**

Consisting of new rail alignment, separated from road vehicle traffic and freight and conventional passenger trains, the HST system will allow operations at up to 150 mph of electrically-powered, higher-speed, steel-wheel-on-steel-rail trains, including advanced train control and communications systems, as well as facilities for operation and maintenance of trains and right-of-way. The planned high-speed trains for the main lines and light-weight compatible commuter trains both will be able to use this alignment.

**The Altamont Corridor will provide major improvements to intercity and commuter services between the Bay Area and the Central Valley.**

The corridor lies entirely in California. While the preferred corridor will be developed from the many possible alternatives in the EIS/EIR process, the preliminary concept of the corridor is to start in Stockton and head southwesterly to the Livermore area, thence to Union City and then south to the San Jose Diridon Station. Potential intermediate station stops include Tracy, Livermore, Pleasanton, Fremont/Union City, & Milpitas. Multi-modal opportunities would be pursued at stations in Stockton, Livermore, Fremont, and San Jose to connect with VTA, Caltrain, BART and the HST mainline.

The Altamont Corridor would reduce the travel time between the endpoints, provided today by ACE in two hours and eight minutes, by more than half, to under one hour. The average speed of the service, now severely constrained by existing alignments and grades, will rise from 37mph to over 70 mph. By 2030 the number of round trips would increase to 35, from the four round trips provided today. Estimates made from the Regional Rail Plan study that supported the 2008 programmatic EIS/EIR, suggest 12 million trips a year would be made, 3 million of them intercity trips, and 9 million regional, mainly commuter, trips.

Major benefits for mobility, economic activity, air quality, and land use development are expected to be documented in the work to be funded by the Program.

The service would include a new fleet of trainsets capable of reliable and safe 150 mph operation.

The fare structure will be California-specific: it may include different fares depending on class of service, and reflect time of day, week, and seasonal peaks, as well as time in advance of booking. In general, fares will be higher than current rail and bus fares and driving cost, reflecting value in time saved, but not higher than air fares. Service quality will be a major improvement over current modes of transportation, with near 100% on-time performance, smooth comfortable rides, and the highest safety of any mode of travel, as shown by nearly 50 years of fatality-free high-speed rail transportation in Japan. Station amenities will be appropriate for the various user markets.

**Formal planning of the Altamont Corridor has been a continuous process of over a decade.**

Following national and international project implementation attempts in the 1980's, several state studies and a temporary commission, a permanent state agency – the High-Speed Rail Authority – was established in 1996 to move high-speed rail forward. The Authority conducted a state-wide planning effort, bringing in local/regional MPOs, cities, and other interested parties, then a formal EIS/EIR process, with the FRA as federal lead agency and with state appropriations paying the cost of developing the Statewide Programmatic EIS/EIR Federal Record of Decision and State Notice of Decision issued in 2005. The subsequent Bay Area–Central Valley Programmatic EIS/EIR was finished in July 2008. The current project-level EIS/EIR work, for which funding is being requested in this application, is the final step in the planning process before construction can begin.

The Altamont Corridor was initially studied in the 2005 Statewide Program EIR/EIS, and re-evaluated in the Bay Area to Central Valley HST EIR/EIS of 2008, when the Authority designated the Pacheco Pass via Gilroy as the preferred route to connect the main line of the HST network in the Central Valley with the Peninsula and San Francisco. At the same time the Authority indicated it would pursue a partnership with local entities to develop a joint-use corridor (“Regional Rail and HST”) project in the Altamont Pass corridor to satisfy a different purpose and need from the proposed statewide HST system.

The final language in Proposition 1A, approved by California voters in November 2008, makes the Altamont Corridor eligible for funding through High Speed Rail bonds.

The preparation of this Altamont Corridor Rail Project EIR/EIS will involve development of preliminary engineering designs and assessment of environmental effects associated with the construction, operation, and maintenance of the project including track, ancillary facilities, and stations along the Altamont Corridor. ROD / NOD is expected in 2013.

The Altamont Corridor Program is included in the State Long Range Transportation Improvement Plan and the State Rail Plan, as well as in MPO plans for the Bay Area, Sacramento, & the Central Valley.

**The EIR/EIS will determine the extent of the cost-effectiveness of the Altamont Rail Corridor.**

Altamont likely will be cost-effective in providing a reliable high-speed electrified train system that links the major Bay Area cities to the Central Valley, and delivering predictable and consistent travel times, and in meeting existing and future demand. The extent to which this is the case will be determined during the EIR/EIS work of this Program.

The ongoing operations will also likely be cost-effective in providing enough passenger ticket revenue to offset a significantly greater proportion of its operating cost than most shorter slower rail corridors today.

**The higher-speed system will use innovative technology, new to US passenger service.**

The service will use technologies that are decidedly innovative for US passenger rail network, although proven in high-speed rail passenger service around the globe. These include full grade separation, trainsets, control systems, other core system elements, structure design and construction practices, intrusion and hazards detection, operations rules, and preventive maintenance practices that eliminate virtually all of the issues that lead to rail accidents, and will allow safe operations at speeds of 150 mph.

**Opportunities for shared use of railroad rights-of-way and public lands will be of mutual benefit.**

Use of railroad properties will be limited to areas where there is opportunity to share corridors and rights-of-way. In each case, the Authority will reach agreement with the private or public railroad or asset owner, and will not involve operation on tracks used by operating railroads. Areas where there is likely agreement on such use of railroad property involve grade-separated structures crossing rail lines, spurs or other property. The use of public lands is similarly incidental, generally limited to grade-separated crossings of public roads and highways and the use of rail facilities designed for the HST such as stations. Agreements will be reached with each public owner on terms and conditions of use.

**The Authority and FRA, as lead agencies, are performing the PE/NEPA/CEQA activities.**

This Phase 2 Corridor Program request includes funding for completion of the project-level PE/NEPA/CEQA activities, in full compliance with NEPA/CEQA requirements, expected to result in a series of RODs and NODs in 2013.

**The Authority and its partners will be able to implement the construction and operation of this corridor.**

While a specific plan will not be developed until the outcome of the EIS/EIR studies is known, the state and regional partnership undertaking the development of this corridor have the powers, staff, and experienced consultant teams to complete it successfully.

**(5) Describe the service objective(s) for this Corridor Program (check all that apply):**

- ☒ Additional Service Frequencies  
☒ Improved Service Quality  
☒ Improved On-Time performance on Existing Route  
☒ Reroute Existing Service

- ☒ Increased Average Speeds/Shorter Trip Times  
☒ New Service on Existing IPR Route  
☒ New Service on New Route  
☒ Other (Please Describe): HST service connection between San Jose and Stockton, CA on new fully-grade separated track

**(6) Right-of-Way-Ownership.** Provide information for all railroad right-of-way owners in the Corridor Program area. Where railroads currently share ownership, identify the primary owner. *If more than three owners, please detail in Section F of this application.*

Type of Railroad	Railroad Right-of-Way Owner	Route Miles	Track Miles	Status of agreements to implement projects
Class 1 Freight	Union Pacific Railroad	84	84	No Host Railroad Involved
Class 1 Freight				
Class 1 Freight				

**(7) Services.** Provide information for all existing rail services within Corridor Program boundaries (freight, commuter, and intercity passenger). *If more than three services, please detail in Section F of this application.*

Type of Service	Name of Operator	Top Speed Within Boundaries	Number of Route Miles	Average Number of Daily	Notes
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		Passenger	Freight	Within Boundaries	One-Way Train Operations within Boundaries <sup>1</sup>	
Freight	Union Pacific Railroad		60	84	12	
Commuter	ACE	79		84	8	
Freight						
<p><b>(8) Rolling Stock Type.</b> Describe the fleet of locomotives, cars, self-powered cars, and/or trainsets that would be intended to provide the service upon completion of the Corridor Program. <i>Please limit response to 2,000 characters.</i></p> <p>The assumed operations on the Altamont Corridor would be provided by light-weight electrical multiple units compatible with the high-speed trainsets that might also use this corridor. This will require FRA approval, which under current rules assumes a waiver petition would be developed. The trains would have top speed of 150 mph, maximum length of 600 feet with seating for up to 500 passengers depending on configuration. A fleet of sixty cars is assumed to be needed for the service, including spares.</p>						
<p><b>(9) Intercity Passenger Rail Operator.</b> If applicable, provide the status of agreements with partners that will operate the benefiting high-speed rail/intercity passenger rail service(s) (e.g., Amtrak). If more than one operating partner is envisioned, please describe in Section F.</p> <p>Name of Operating Partner: Unknown</p> <p>Status of Agreement: Operations being competitively bid</p>						

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<sup>1</sup> One round trip equals two one-way train operations.

**(10) Master Project List.** Please list all projects included in this Track 2 Corridor Program application in the table below. If available, include more detailed project costs for each project as a supporting form (see Section G below).

[illegible]

**Note:** In addition to **program** level supporting documentation, all applicable **project** level supporting documentation is required prior to award. If project level documentation is available now, you may submit it; however, if it is not provided in this application, this project may be considered as a part of a possible Letter of Intent but will not be considered for FD/Construction grant award until this documentation has been submitted.



**In narrative form, please describe the sequencing of the projects listed in Question 10. Which activities must be pursued sequentially, which can be done at any time, and which can be done simultaneously? *Please limit response to 4,000 characters.***

There are no “projects” as defined by this Corridor Program application process.

Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## C. Eligibility Information

**(1) Select applicant type, as defined in Appendix 1.1 of the HSIPR Guidance:**

- ☒ State  
☐ Amtrak

**If one of the following, please append appropriate documentation as described in Section 4.3.1 of the HSIPR Guidance:**

- ☐ Group of States  
☐ Interstate Compact  
☐ Public Agency established by one or more States  
☐ Amtrak in cooperation with a State or States

**(2) Establish completion of all elements of a Service Development Plan.** Note: One Service Development Plan may be referenced in multiple Track 2 Applications for the same corridor service.

**Please provide information on the status of the below Service and Implementation Planning Activities:**

	Select <u>One</u> of the Following:			Provide Dates for all activities:	
	No study exists	Study Initiated	Study Completed	Start Date (mm/yyyy)	Actual or Anticipated Completion Date (mm/yyyy)
<b>Service Planning Activities/Documents</b>					
Purpose & Need/Rationale	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	05/2008
Service/Operating Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	05/2008
Prioritized Capital Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	05/2008
Ridership/Revenue Forecast	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	05/2008
Operating Cost Forecast	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	05/2008
Assessment of Benefits	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	05/2008
<b>Implementation Planning Activities/Documents</b>					
Program Management Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	6/2009
Financial Plan (capital & operating – sources/uses)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	11/2008
Assessment of Risks	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	N/A	11/2008

**(3) Establish Completion of Service NEPA Documentation (the date document was issued and how documentation can be verified by FRA).** The following are approved methods of NEPA verification (in order of FRA preference): 1) References to large EISs and EAs that FRA has previously issued, 2) Web link if NEPA document is posted to a website (including [www.fra.gov](http://www.fra.gov)), 3) Electronic copy of non-FRA documents attached with supporting documentation, or 4) a hard copy of non-FRA documents (large documents should not be scanned but should be submitted to FRA via an express delivery service). See HSIPR Guidance Section 1.6 and Appendix 3.2.9.

Note to applicants: Prior to obligation of funds for FD/Construction activities under Track 2, all project specific documents will be required (e.g. Project NEPA, Financial Plan, and Project Management Plan).

Documentation	Date (mm/yyyy)	Describe How Documentation Can be Verified
Tier 1 NEPA EIS (Programmatic)	08/2005	<a href="http://www.cahighspeedrail.ca.gov/library/Default.aspx?ItemID=5834">http://www.cahighspeedrail.ca.gov/library/Default.aspx?ItemID=5834</a>
Tier 1 NEPA EIS (Programmatic)	05/2008	<a href="http://www.cahighspeedrail.ca.gov/library/default.aspx">http://www.cahighspeedrail.ca.gov/library/default.aspx</a>
Tier 1 NEPA EA		

**(4) Indicate if there is an environmental decision from FRA (date document was issued and web hyperlink if available)**

Documentation	Date (mm/yyyy)	Hyperlink (if available)
Record of Decision	11/2005	<a href="http://www.cahighspeedrail.ca.gov/library/Default.aspx?ItemID=5834">http://www.cahighspeedrail.ca.gov/library/Default.aspx?ItemID=5834</a>
Record of Decision	12/2008	<a href="http://www.cahighspeedrail.ca.gov/library/default.aspx">http://www.cahighspeedrail.ca.gov/library/default.aspx</a>
Finding of No Significant Impact		

Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## D.Public Return on Investment

**(1) 1A. Transportation Benefits.** See HSIPR Guidance Section 5.1.1.1. Please limit response to 8,000 characters.

How is the Corridor Program anticipated to improve Intercity Passenger Rail (IPR) service? Describe the overall transportation benefits, including information on the following (*please provide a level of detail appropriate to the type of investment*):

- Introduction of new IPR service: Will the Corridor Program lead directly to the introduction of a new IPR service that is not comparable to the existing service (if any) on the corridor in question? Describe the new service and what would make it a significant step forward in intercity transportation.
- IPR network development: Describe projected, planned, and potential improvements and/or expansions of the IPR network that may result from the Corridor Program, including but not limited to: better intermodal connections and access to stations; opportunities for interoperability with other services; standardization of operations, equipment, and signaling; and the use of innovative technologies.
- IPR service performance improvements (*also provide specific metrics in table 1B below*): Please describe service performance improvements directly related to the Corridor Program, as well as a comparison with any existing comparable service. Describe relevant reliability improvements (e.g., increases in on-time performance, reduction in operating delays), reduced schedule trip times, increases in frequencies, aggregate travel time savings (resulting from reductions to both schedule time and delays, e.g., expressed in passenger-minutes), and other relevant performance improvements.
- Suggested supplementary information (*only when applicable*):
  - Transportation Safety: Describe overall safety improvements that are anticipated to result from the Corridor Program, including railroad and highway-rail grade crossing safety benefits, and benefits resulting from the shifting of travel from other modes to IPR service.
  - Cross-modal benefits from the Corridor Program, including benefits to:
    - ✓ Commuter Rail Services – Service improvements and results (applying the same approach as for IPR above).
    - ✓ Freight Rail Services – Service performance improvements (e.g., increases in reliability and capacity), results (e.g. increases in ton-miles or car-miles of the benefiting freight services), and/or other congestion, capacity or safety benefits.
    - ✓ Congestion Reduction/Alleviation in Other Modes; Delay or Avoidance of Planned Investments – Describe any expected aviation and highway congestion reduction/alleviation, and/or other capacity or safety benefits. Also, describe any planned investments in other modes of transportation (and their estimated costs if available) that may be avoided or delayed due to the improvement to IPR service that will result from the Corridor Program.

Safety – The complete grade separation of the existing passenger rail service, with all of the benefits to safety that entails, also will separate or close a number of existing road/rail at-grade crossings, where the proximity of the new line makes this feasible. Depending on the eventual preferred alternative, there could be as many as a dozen such separations from the Altamont corridor work, reducing freight train and road traffic exposure, and local traffic delays.

Time savings – The faster running times will increase the passenger volumes on rail by more than twelve-fold, in large part because travellers will perceive a time savings from driving or taking the bus. The time savings that could be expected for today's volume of ACE riders (865,000) could be on the order of 26 million minutes, assuming an average of only half of the full trip's time savings.

Reliability and on-time improvements - The Altamont Corridor will provide on-time performance of over 99% (arrival at end point stations within 10 minutes, standard applied to Acela, regardless of distance) based on experience with European and Japanese operations that are completely grade-separated and on new infrastructure, as will be the case with this service. The intermediate point punctuality will be very high as well, with delays per 10,000 train miles estimated at under 66 minutes, similar to or even better, given the shorter trip. These are major improvements over existing IPR service in the US, where the Acela is 90% on time and the Northeast Corridor, the best ranked host railroad, experiences over 600 minutes in train delay per 10,000 train miles. And compared to the existing ACE service, which does well for passenger trains on freight lines, with 92% on time and 800 minutes delay per 10,000 train miles, it will be a similar improvement.

**1B. Operational and Ridership Benefits Metrics:** In the table(s) below, provide information on the anticipated levels of transportation benefits and ridership that are projected to occur in the corridor service or route, following completion of the proposed Corridor Program.

**Note:** The “Actual—FY 2008 levels” only apply to rail services that currently exist. If no comparable rail service exists, leave column blank.

Corridor Program Metric	Actual – FY 2008 levels	Projected Totals by Year		
		First full year of operation	Fifth full year of operation	Tenth full year of operation
Annual passenger-trips	n.a	10 million	12 million	13 million
Annual passenger-miles (millions)	n.a	700	840	903
Annual IPR seat-miles offered (millions)	n.a	1,000	1,200	1,290
Average number of daily round trip train operations (typical weekday)	n.a	30	35	35
On-time performance (OTP) <sup>2</sup> — percent of trains on time at endpoint terminals	n.a	99%	99%	99%
Average train operating delays: minutes of en-route delays per 10,000 train-miles <sup>3</sup>	n.a	66	66	66
Top passenger train operating speed (mph)	n.a	150	150	150
Average scheduled operating speed (mph) (between endpoint terminals)	n.a	71	92	92

<sup>2</sup> ‘On-time’ is defined as within the distance-based thresholds originally issued by the Interstate Commerce Commission, which are: 0 to 250 miles and all Acela trains—10 minutes; 251 to 350 miles—15 minutes; 351 to 450 miles—20 minutes; 451 to 550 miles—25 minutes; and 551 or more miles—30 minutes.

<sup>3</sup> As calculated by Amtrak according to its existing procedures and definitions. Useful background (but not the exact measure cited on a route-by-route basis) can be found at pages E-1 through E-6 of Amtrak’s May 2009 Monthly Performance Report at <http://www.amtrak.com/pdf/0905monthly.pdf>

**(2) A. Economic Recovery Benefits:** Please limit response to 6,000 characters. For more information, see Section 5.1.1.2 of the HSIPR Guidance.

Describe the contribution the Corridor Program is intended to make towards economic recovery and reinvestment, including information on the following:

- How the Corridor Program will result in the creation and preservation of jobs, including number of onsite and other direct jobs (on a 2,080 work-hour per year, full-time equivalent basis), and timeline for achieving the anticipated job creation.
- How the different phases of the Corridor Program will affect job creation (consider the construction period and operating period).
- How the Corridor Program will create or preserve jobs or new or expanded business opportunities for populations in Economically Distressed Areas (consider the construction period and operating period).
- How the Corridor Program will result in increases in efficiency by promoting technological advances.
- How the Corridor Program represents an investment that will generate long-term economic benefits (including the timeline for achieving economic benefits and describe how the Corridor Program was identified as a solution to a wider economic challenge).
- If applicable, how the Corridor Program will help to avoid reductions in State-provided essential services.

The Altamont Corridor PE/NEPA/CEQA program to complete 15% engineering & move it to ROD & NOD will cost \$45 million. This will create & maintain 390 full time equivalent jobs in engineering, environmental planning, & related fields, based on the average cost per FTE of the Authority's engineering & environmental planning contracts during California's FY 08/09. These jobs will be spread over 3-4 years, an average of 90-130 jobs in each year.

Many of these direct jobs will be located at offices in counties that are Economically Distressed Areas (EDAs), i.e. those counties which have had 24 sequential months of unemployment 1% or more higher than the national average, or in which the per capita income is 80% or less than the national average based on end of year 2008 data. The EDAs that will benefit directly from these jobs and their July 2009 unemployment rates are the counties of Fresno (15%) and Sacramento (12%). The bulk of the rest of the jobs are also in counties with high current unemployment rates<sup>4</sup> including Alameda (11.5%), Contra Costa (11%), San Francisco (9.9%), and Yolo (11.2%).

The direct jobs will also create secondary economic activity and create/maintain an additional 460-690 jobs in these and surrounding counties over the four year period.

The Altamont PE/NEPA/CEQA program is a vital step in increasing long term economic activity in Central California, by clearing the way for the construction and operation of the higher-speed system. The number of jobs in design, construction, and management resulting from construction, plus those associated with supply of materials and services to construction, and follow-on secondary economic activity, will be estimated in the course of the EIS/EIR preparation. Similarly the number of jobs created from the operation of the system, the supply of ongoing operations, the secondary effects of spending will be estimated as will the likely far larger effect of the time savings and efficiencies in the economy introduced by the Altamont service.

The Altamont service will do much to spur this new job creation and economic activity in some of the most distressed of California's EDAs, including notably San Joaquin County with unemployment in July 2009 at 16%.

**2B. Job Creation.** Provide the following information about job creation through the life of the Corridor Program. Please consider construction, maintenance and operations jobs.

Anticipated number of onsite and other direct jobs created (on a 2080 work-hour per year, full-time equivalent basis).	FD/ Construction Period	First full year of operation	Fifth full year of operation	Tenth full year of operation
	390 (program only)	TBD	TBD	TBD

<sup>4</sup> California Employment Development Department, Preliminary July 2009 data not seasonally adjusted.

**(3) Environmental Benefits.** *Please limit response to 6,000 characters.*

How will the Corridor Program improve environmental quality, energy efficiency, and reduce in the Nation's dependence on oil? Address the following:

- Any projected reductions in key emissions (CO<sub>2</sub>, O<sub>3</sub>, CO, PM<sub>x</sub>, and NO<sub>x</sub>) and their anticipated effects. Provide any available forecasts of emission reductions from a baseline of existing travel demand distribution by mode, for the first, fifth, and tenth years of full operation (*provide supporting documentation if available*).
- Any expected energy and oil savings from traffic diversion from other modes and changes in the sources of energy for transportation. Provide any available information on changes from the baseline of the existing travel demand distribution by mode, for the first, fifth, and tenth years of full operation (*provide supporting documentation if available*).
- Use of green methods and technologies. Address green building design, "Leadership in Environmental and Energy Design" building design standards, green manufacturing methods, energy efficient rail equipment, and/or other environmentally-friendly approaches.

The Altamont service will reduce oil consumption by an amount roughly proportional to its passenger miles carried compared to those of the separate CA HST project. In 2030, the assumed fifth year of operation, the Altamont is estimated to carry on the order of 1 million passenger miles, compared to the 21.8 billion of the CA HST project. This would translate into a savings in oil consumption of a half million barrels of oil per year. The first and tenth year would be slightly different because of expected passenger growth. These values will be examined in detail in the EIS / EIR work requested to be funded by this grant.

The same shift of travelers from auto to the Altamont service will similarly reduce greenhouse gas & other pollutant emissions. Scaled from the CO<sub>2</sub> reductions estimated for the separate CA HST project, a reduction on the order of half a billion pounds per year of CO<sub>2</sub> emission could be expected in the first ten years of operation. Smaller reductions in other pollutants would also be realized: carbon monoxide (~1 ton/day), particulate matter (2.5 & 10 micron) (1/5 ton/day), NO<sub>x</sub> (1/3 ton/day) and total organic compounds (~1 ton/day) can be estimated following this approach. These values will be examined in detail in the EIS / EIR work requested to be funded by this grant.

**(4) Livable Communities Corridor Program Benefits Narrative.** *(For more information, see Section 5.1.1.3 of the HSIPR Guidance, Livable Communities). Please limit response to 3,000 characters.*

How will the Corridor Program foster Livable Communities? Address the following:

- Integration with existing high density, livable development: Provide specific examples, such as (a) central business districts with walking/biking and (b) public transportation distribution networks with transit-oriented development.
- Development of intermodal stations: Describe such features as direct transfers to other modes (both intercity passenger transport and local transit).

Most of the stations will serve as multi-modal transportation hubs and be located in downtown areas, either within the central business district or in a nearby location. Successful transit systems share one common trait—excellent pedestrian access. Since transit works best when stations and shops are easily accessible and surrounded by places that people like to visit, the Authority will work with local communities to establish strong, well defined pedestrian and bicycle linkages to downtown areas and other public transit. This will help increase the number of transit patrons and the overall vitality of the surrounding community.

All of the Regional Rail/HST stations will provide access to local bus services and many of the stations will also provide access to local, commuter, and intercity rail services. Since transit system connectivity is important for encouraging ridership, the high-speed stations will include such features as kiosks with transit schedules and fare information, way-finding signage, and the use of real-time technology with train arrival and departure information. These elements are all designed to promote a convenient and "seamless" transit system by reducing travel times, providing more reliable connections, and making it easier to pay so that transfers from the high-speed rail system to other transit modes can occur as safely and easily as possible.



Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## E. Application Success Factors

**(1) Project Management Approach and Applicant Qualifications Narrative.** *Please provide separate responses to each of the following. Additional information on program management is provided in Section 5.1.2.1 of the HSIPR Guidance, Project Management.*

### 1A. Applicant qualifications.

Management experience: Does the applicant have experience in managing rail investments and Corridor Programs of a similar size and scope to the one proposed in this application?

- ☒ Yes - Briefly describe experience (brief project(s) overview, dates)  
☐ No- Briefly describe expected plan to build technical and managerial capacity. Provide reference to Project Management Plan.

*Please limit response to 3,000 characters.*

Mehdi Morshed, Executive Director (1998-present)

With 34 years of experience in transportation, Morshed has advanced the CHSTP from a conceptual proposal through program-level environmental clearance and now toward construction. For more than 20 years, he served as principal policy consultant on transportation issues for the California Senate. He helped guide creation of the state's primary transportation institutions, such as the California Transportation Commission, various local and regional commissions, districts and agencies, as well as the High-Speed Rail Authority, where he served on the board prior to becoming Executive Director.

Anthony Daniels, Program Director (2006-present)

Daniels leads the Program Management Team, bringing more than 40 years of HST project management experience. Projects include: Managing Operation of UK West Midlands High-Speed Rail Corridors; Upgrading of UK West Coast Main Line; Design of LA to San Diego High-Speed (with Amtrak & Japanese rail companies); the 3C Ohio project; Florida High-Speed FOX project (with French rail companies as franchisee); Texas Triangle (with MK & Bombardier as franchisee); Upgrade of High-Speed Electrification of the Northeast Corridor, Washington-New York, and the Design/Build for New Haven-Boston (NEC); and the Taiwan High-Speed Project Franchise (bidding).

John Harrison, Deputy Program Director (2009-Present)

Harrison directs the seven Regional Managers, bringing more than 40 years of intercity rail, rail transit, and HST project management experience. Projects include Northeast Corridor Improvement Project, HSR Commercial Feasibility Study for the Volpe National Transportation System Center, Amtrak Northend Electrification Design-Build, Pennsylvania HSR Study, California HSR Study, Taiwan HSR PE and Franchise Bidding.

Altamont Corridor Rail Project Team

More than 400 persons are involved in the planning and engineering of the CHSTP and the Altamont Corridor Rail Project, including more than 135 senior managers, planners, engineers, and operators with significant project work on one or more of the HST projects in Europe and Asia, as well as the Northeast Corridor. Examples of some of these projects and corresponding number of team members are shown below:

British HSR Projects: 21  
 Chinese HSR Projects: 1  
 Taiwan-Taipai-Kaohsiung: 23  
 Korea-Soul-Pusan: 7  
 USA-North East Corridor: 65  
 Boston-New Haven, Electrification: 4  
 French TGV Projects: 2  
 HSL Zuid-Belguim-Netherlands: 2  
 Germany-ICE HSR: 2  
 Denmark Storebaelt & Oresund Links: 3  
 Portugal Linha do Norte: 2

Spanish HSR Projects: 3

Experts on this project have guided the planning, construction and/or operation of HST systems around the world representing hundreds of billions of dollars in infrastructure development. Resumes of key staff and project dates are available on request.

**1B. Describe the organizational approach for the different Corridor Program stages included in this application (e.g., final design, construction), including the roles of staff, contractors and stakeholders in implementing the Corridor Program. For construction activities, provide relevant information on work forces, including railroad contractors and grantee contractors. Please limit response to 3,000 characters.**

The California High-Speed Rail Authority (Authority)

The Authority is the state entity responsible for planning, constructing and operating a HST system. The Authority has a 9-member board and a core staff to implement the project which consists of an Executive Director, Deputy Directors, Chief Engineer, Project Management Oversight, Finance, Government Relations and a support staff that includes the Program Management Team (PMT).

The California Attorney General's office provides legal support on all matters including review of environmental deliverables including the Final Environmental Report (EIR) and the Notice of Determination (NOD) for the Authority. The CHSTP also directly involves the FRA who is the federal lead agency under NEPA responsible for technical and legal review of the regional project EISs. All environmental deliverables up to and including the Final EIS and Record of Decision (ROD) will be subject to FRA review and approval.

With voter approval of AB 3034 on November 4, 2008, the project now has \$9 billion in bond funding for the 800-mile statewide network and an additional \$950 million for capital improvements to commuter, intercity rail and local transit systems to connect existing infrastructure to the HST system.

The Management Team

The Authority has prepared the way for construction of the first HST operating on dedicated right-of-way in the U.S. The Authority has enlisted the skilled and qualified resources required to plan, construct and operate a HST infrastructure project by pulling together nearly 100 of the world's most notable engineering and planning firms to assist in:

- Program Management
- Project Engineering
- Economic Consulting
- Energy Consulting
- Environmental Services
- Infrastructure Design
- Systems, Operations and Ridership
- Right-of-Way and Land Use
- Specialty Engineering
- Transportation Planning
- Constructability Reviews
- Procurement
- Construction Management
- Testing and Commissioning
- Revenue Service Start-up

In 2006, the Authority contracted the services of a PMT, Parsons Brinckerhoff, to oversee and manage the CHSTP and the Altamont Corridor Rail Project. This includes development of engineering design criteria and standards to guide the design, construction and operation of the project. The PMT provides complete program-level management and oversight of the regional consulting firm (AECOM) who is performing the detailed planning, preparing the project-level environmental documents and performing the preliminary engineering.

The regional manager from the PMT provides leadership for managing the project-level environmental process and PE work by the RC and management of procurement, construction management, testing, commissioning and revenue start-up.

**1C. Does any part of the Corridor Program require approval by FRA of a waiver petition from a Federal railroad safety regulation? (Reference to or discussion of potential waiver petitions will not affect FRA's handling or disposition of such waiver petitions).**

- ☒ YES- If yes, explain and provide a timeline for obtaining the waivers  
☐ NO

*Please limit response to 1,500 characters.*

None of the improvements included as part of this ARRA Application require a waiver petition.

CHSRA is currently working closely with FRA to develop CHSTP-specific technical and safety requirements supporting filing of a Petition for a Rule of Particular Applicability to the Federal Docket by 12/2010 for the statewide HST system. CHSRA will also be requesting a waiver from California Public Utilities Commission (CPUC) General Order (GO) for the electrification system.

**1D. Provide a preliminary self-assessment of Corridor Program uncertainties and mitigation strategies (consider funding risk, schedule risk and stakeholder risk). Describe any areas in which the applicant could use technical assistance, best practices, advice or support from others, including FRA. Please limit response to 2,000 characters.**

**Funding:** Funding is expected from federal, state, local, and private sources. State funds will provide \$9B in GO bond proceeds. Public private sector partnerships will be maximized. Federal funding is a critical component. To mitigate funding risk, a long-term dedicated funding source will be sought.

**Schedule/Project Delivery (PD):** PD risk management will focus on identifying, analyzing and mitigating hazards that may impact cost/schedule, e.g., engineering, construction, environmental, political or market hazards.

**Risk assessment methodologies to control costs/schedule** will follow policies implemented by FTA and experience from other large infrastructure projects, subject to FRA guidelines. A risk register will allow tracking of all identified risks.

**Stakeholder:** Steps the Authority can take to limit the state's exposure to future construction cost increases include transferring this risk to a private partner through innovative contracting methods (DB or PPP) which have been effective at delivering projects on-time and on-budget. The Authority will use traditional performance bonding and create incentives for contractors to fulfill contract obligations. Additionally, CHSRA will address potential jurisdiction of the Surface Transportation Board (STB) over any aspect(s) of the HST project and work to ensure timely completion all prospective regulatory oversight responsibilities consistent with the project delivery schedule.

**(2) Stakeholder Agreements Narrative.** *Additional information on Stakeholder Agreements is provided in Section 5.1.2.2 of the HSIPR Guidance.*

Under each of the following categories, describe the applicant's progress in developing requisite agreements with key stakeholders. In addition to describing the current status of any such agreements, address the applicant's experience in framing and implementing similar agreements, as well as the specific topics pertaining to each category.

**2A. Ownership Agreements** – Describe how agreements will be finalized with railroad infrastructure owners listed in the “Right-of-Way Ownership” and “Service Description” tables in Section B. If appropriate, “owner(s)” may also include operator(s) under trackage rights or lease agreements. Describe how the parties will agree on Corridor Program design and scope, benefits, implementation, use of Corridor Program property, maintenance, scheduling, dispatching and operating slots, Corridor Program ownership and disposition, statutory conditions and other essential topics. Summarize the status and substance of any ongoing or completed agreements. *Please limit response to 3,000 characters.*

The Authority has begun the process of working with owners of right-of-way where applicable. The process for ultimately negotiating right-of-way agreements will include contractual negotiations subject to FRA and State of California regulatory approval for safety. The Authority has assembled a team of both state and private entities to help coordinate this effort including the California State Department of General Services, regional consultants, and right-of-way acquisition experts. The Altamont Corridor will run on dedicated track and will not require negotiations on scheduling, dispatching or operating slots.

The Authority is simultaneously working with stakeholders of the Altamont Corridor. Initial outreach and Memorandum of Understanding (MOU) or Cooperative Agreements (CA) have been signed with the Transbay Joint Powers Board (TJPA), the Alameda Corridor Express (ACE) and the Peninsula Corridor Joint Powers Board (Caltrain). An MOU with the Caltrans Division of Rail is currently pending.

**2B. Operating Agreements** – Describe the status and contents of agreements with the intended operator(s) listed in “Services” table in the Application Overview section above. Address Corridor Program benefits, operation and financial conditions, statutory conditions, and other relevant topics. *Please limit response to 3,000 characters.*

The operator of the Altamont Corridor Rail System will be obtained through an open, competitive bid process. The Authority and SJRRC will solicit qualified respondents who will be required to respond to a Request for Proposals (RFP) and to provide documented qualifications, past history and demonstrated experience with similar Regional Rail/HST systems. In addition, the evaluation criteria will emphasize bidders' safety records.

Once an operator is selected, operating agreement(s) will be negotiated and executed between the owner of record (the Authority) and the contract operator. The operating agreements will emphasize a response to system safety, compliance with the United States Code of Federal Regulations (CFR-49 Sections 200 through 299) as applicable to 150-mph train operations, forecasted ridership demand based service plans, and operating performance based requirements. It will include, but not be limited to:

- Levels of Service (total number of trains per peak hour, peak period, off peak period and per day);
- Frequency of Service (stations served, stopping patterns per hour during peak and off peak period);
- Travel Time Objectives (between city pairs);
- On Time Performance Targets (number of trains arriving at their final terminal stations on time as a percent of total trains operated);
- Service Quality Standards (e.g., cleanliness of interior and exterior of trains and stations, on board announcements, station announcements etc.);
- Operating and Safety Rules Qualification & Compliance; and
- Efficiency and Cost Effectiveness.

Service, operations and safety performance-based categories will be defined with quantified measureable objectives and there may be incentives for innovative approaches and for exceeding certain performance goals.

As explained above, it is intended that the operator franchise will submit a financial plan which will contribute to the building and/or operations of the line.

**2C. Selection of Operator** – If the proposed operator railroad was not selected competitively, please provide a justification for its selection, including why the selected operator is most qualified, taking into account cost and other quantitative and qualitative factors, and why the selection of the proposed operator will not needlessly increase the cost of the Corridor Program or of the operations that it enables or improves. *Please limit response to 3,000 characters.*

Not applicable.

**2D. Other Stakeholder Agreements** – Provide relevant information on other stakeholder agreements including State and local governments. *Please limit response to 3,000 characters.*

The Authority is pursuing partnerships with local and regional agencies and transit providers to propose mutually beneficial or joint use relationships. In addition to the Memorandum of Understanding (MOU) and Cooperative Agreements (CA with owners of right of way or potential operating agreements, the Authority has worked proactively to engage every area that will benefit from high-speed rail service in the state. The following represents a list of local entities with whom the Authority has engaged in an MOU or CA:

- For the Altamont corridor, the Authority has signed an MOU with the San Joaquin Regional Rail Commission to expand cooperation and planning/environmental studies to improve rail service in the corridor. The Commission also manages and operates the Altamont Commuter Express (ACE) service in the region.

In addition to stakeholder agreements from local governments, the Authority has signed MOUs with the relevant foreign governments including the following:

- Ministry of Land, Infrastructure and Transport of Japan
- German Ministry of Transport, Building and Housing
- Italian Ministry of Infrastructure and Transportation
- French Ministry for Ecology, Energy, Sustainable Development and Land Planning
- Spanish Ministry of Development

**2E. Agreements with operators of other types of rail service** - Are benefits to non-intercity passenger rail services (e.g., commuter, freight) foreseen? Describe any cost sharing agreements with operators of non-intercity passenger rail service (e.g., commuter, freight). *Please limit response to 3,000 characters.*

Not applicable.

### (3) Financial Information

**3A. Capital Funding Sources.** Please provide the following information about your funding sources (if applicable).

Non FRA Funding Sources	New or Existing Funding Source?	Status of Funding <sup>5</sup>	Type of Funds	Dollar Amount (millions of \$ YOE)	% of Program Cost	Describe uploaded supporting documentation to help FRA verify funding source
State	New	Committed	State GO Bond Proceeds	\$45	22.5	Safe, Reliable High-Speed Passenger Train Bond Act for the 21 <sup>st</sup> Century
	New	Committed				
	New	Committed				
	New	Committed				

**3B. Capital Investment Financial Agreements.** Describe any cost sharing contribution the applicant intends to make towards the Corridor Program, including its source, level of commitment, and agreement to cover cost increases or financial shortfalls. Describe the status and nature of any agreements between funding stakeholders that would provide for the applicant's proposed match, including the responsibilities and guarantees undertaken by the parties. Provide a brief description of any in-kind matches that are expected. *Please limit response to 3,000 characters.*

The total cost of this NEPA/CEQA application is estimated to be \$45 million in Year of Expenditure Dollars with 50% and \$22.5 million from ARRA grants. For this application, the Authority proposes the use of a 50% State funding match to the proposed ARRA grants. SJRRC has also committed to contributing to the local share. State matching funds will be provided through general obligation bond proceeds from the passage of the High-Speed Rail Bond Act. In November 2008, California voters passed the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century which approved the issuance of general obligation (GO) bonds totaling \$9 billion primarily for capital costs associated with the development of high-speed rail in California. In each of the Authority's grant applications, the Authority is prepared to use GO bond proceeds to match these environmental studies as the statutory limit for environmental studies, planning and preliminary engineering is 10% or (\$900 million).

**3C. Corridor Program Sustainability and Operating Financial Plan.**

Please report on the Applicant's projections of future financial requirements to sustain the service by completing the table below (in YOE dollars) and answering the following question. Describe the source, nature, share, and likelihood of each identified funding source that will enable the State to satisfy its projected financial support requirements to sustain the operation of the service addressed in this Corridor Program. *Please limit response to 2,000 characters.*

This application focuses on Track 2 funds to complete the NEPA/CEQA process. It does not, however, result in immediate operations.

As shown in the chart above, additional subsidy to sustain operations, maintenance or renewal and replacement are not expected to be necessary. The first full year of operations is assumed to be 2026 for this section. Renewal and replacement reserves were estimated assuming a useful life for each category of assets defined in the supplemental worksheets. For those cost items deemed to be "one time" costs, such as program implementation, tunnels and buildings, no future replacement need was assumed. For replacement costs, the team determined the replacement need in year of expenditure dollars for each

<sup>5</sup> Reference Notes: The following categories and definitions are applied to funding sources:

**Committed:** Committed sources are programmed capital funds that have all the necessary approvals (e.g. legislative referendum) to be used to fund the proposed phase without any additional action. These capital funds have been formally programmed in the State Rail Plan and/or any related local, regional, or State Capital Investment Program CIP or appropriation. Examples include dedicated or approved tax revenues, State capital grants that have been approved by all required legislative bodies, cash reserves that have been dedicated to the proposed phase, and additional debt capacity that requires no further approvals and has been dedicated by the sponsoring agency to the proposed phase.

**Budgeted:** This category is for funds that have been budgeted and/or programmed for use on the proposed phase but remain uncommitted, i.e., the funds have not yet received statutory approval. Examples include debt financing in an agency-adopted CIP that has yet to be committed in their near future. Funds will be classified as budgeted where available funding cannot be committed until the grant is executed, or due to the local practices outside of the phase sponsor's control (e.g., the phase development schedule extends beyond the State Rail Program period).

**Planned:** This category is for funds that are identified and have a reasonable chance of being committed, but are neither committed nor budgeted. Examples include proposed sources that require a scheduled referendum, requests for State/local capital grants, and proposed debt financing that has not yet been adopted in the agency's CIP.

category. For each major capital cost component, we began by determining the year 2 contribution amount to a reserve account (increasing at a 7% escalation after the base year) necessary to allow enough funds to accumulate in time to replace the asset, assuming an annual interest rate of 3.5%.

**Note: Please enter supporting projections in the Track 2 Application Supporting Forms, and submit related funding agreements or other documents with the Supporting Materials described in Part G of this Track 2 Application. The numbers entered in this table must agree with analogous numbers in the Supporting Forms.**

Funding Requirement (as identified on the Supporting Form)	Baseline Actual-FY 2009 Levels (State operating subsidy for FY 2009 if existing service)	Projected Totals by Year (\$ Millions Year Of Expenditure (YOE)* Dollars - One Decimal)		
		First full year of operation	Fifth full year of operation	Tenth full year of operation
Indicate the Fiscal Year	2009	2026	2030	2035
Surplus/deficit after capital asset renewal charge <sup>6</sup>	n/a	\$29.1	\$0.7	\$3.4
Total Non-FRA sources of funds applicable to the surplus/deficit after capital asset renewal	n/a	n/a	n/a	n/a
Funding Requirements for which Available Funds Are Not Identified	n/a	n/a	n/a	n/a

\* Year-of-Expenditure (YOE) dollars are inflated from the base year. Applicants should include their proposed inflation assumptions (and methodology, if applicable) in the supporting documentation.

Note: Data reported in this section should be consistent with the information provided in the Operating and Financial Performance supporting form for this application.

<sup>6</sup> The “capital asset renewal charge” is an annualized provision for **future** asset replacement, refurbishment, and expansion. It is the annualized equivalent to the “continuing investments” defined in the FRA’s Commercial Feasibility Study of high-speed ground transportation (*High-Speed Ground Transportation for America*, September 1997, available at <http://www.fra.dot.gov/us/content/515> (see pages 5-6 and 5-7).

- (4) Financial Management Capacity and Capability** – Provide audit results and/or other evidence to describe applicant capability to absorb potential cost overruns, financial shortfalls identified in 3C, or financial responsibility for potential disposition requirements (include as supporting documentation as needed). Provide statutory references/ legal authority to build and oversee a rail capital investment. *Please limit response to 3,000 characters.*

The California High-Speed Rail Authority (the Authority) is a state entity and has been given the responsibility to develop a high-speed train system (HST) in the State of California pursuant to Chapter 796 of the Statutes of 1996 (Senate Bill 1420, Kopp and Costa) (see Authorizing Statue Section F). The Authority is tasked to prepare a plan and design for the HST system, conduct environmental studies and obtain necessary permits, and undertake the construction and operation of a high-speed train passenger network in California. As part of its mission and role within the State government, the Authority goes through a normal annual budget process consistent with other state transportation agencies. In addition to general fund appropriations, the California voters passed Proposition 1A, the Safe, Reliable High-Speed Passenger Train Bond Act on November 4, 2008 which allows for the issuance of \$9 billion in general obligation bonds be issued to establish a clean, efficient high-speed train service linking Southern California, the Sacramento San Joaquin Valley, and the San Francisco Bay Area. Proposition 1A bond act allocations are subject to annual budget authorizations. The following table represents the Authority's budget history from 2005. The Authority's ability to absorb potential cost overruns in design and construction have already been addressed in the previous section as the Authority will use design-build and other procurement techniques to minimize public sector risk. In addition, the full operating system is not expected to require additional operating subsidy as the ridership and revenue estimates indicate an annual surplus even when adjusting for renewal and replacement.

FY	Total
1997/98	\$1,500,000
1998/99	\$3,000,000
1999/00	\$3,032,000
2000/01	\$6,026,000
2001/02	\$4,038,000
2002/03	\$7,928,000
2003/04	\$3,802,000
2004/05	\$1,151,000
2005/06	\$3,646,000
2006/07	\$14,553,000
2007/08	\$20,694,000
2008/09	\$44,231,000
2009/10	\$139,180,000
Total	\$252,781,000

- (5) Timeliness of Corridor Program Completion** – Provide the following information on the dates and duration of key activities, if applicable. For more information, see Section 5.1.3.1 of the HSIPR Guidance, Timeliness of Corridor Program Completion.

Final Design Duration:	NA to this application.
Construction Duration:	NA to this application.
Rolling Stock Acquisition/Refurbishment Duration:	NA to this application.
Service Operations Start date:	NA to this application.



- (6) If applicable, describe how the Corridor Program will promote domestic manufacturing, supply and industrial development, including furthering United States-based equipment manufacturing and supply industries. Please limit response to 1,500 characters.**

This project will be funded utilizing Federal HSIPR funds and therefore Buy America Requirements will be complied with. The following excerpts from 49CFR661 illustrate the applicability of compliance and the associated regulations that will promote domestic manufacturing and supply and support other US based industries.

§ 661.1 Applicability.

Unless otherwise noted, this part applies to all federally assisted procurements using funds authorized by 49 U.S.C. 5323(j); 23 U.S.C. 103(e)(4); and section 14 of the National Capital Transportation Act of 1969, as amended.

§ 661.5 General requirements.

- (a) Except as provided in §661.7 and §661.11 of this part, no funds may be obligated by FTA for a grantee project unless all iron, steel, and manufactured products used in the project are produced in the United States.

- (7) If applicable, describe how the Corridor Program will help develop United States professional railroad engineering, operating, planning and management capacity needed for sustainable IPR development in the United States. Please limit response to 1,500 characters.**

The Altamont Corridor work will add to the effect of the HSIPR program as a catalyst to revitalize intercity passenger rail service throughout the U.S. and to develop new higher-speed train service. To be successful in this initiative, the U.S. must have viable sources of supply and manufacturing expertise. In addition, the U.S. must also develop and sustain professional higher-speed rail planning, engineering, operating and management expertise charged with developing designs and providing oversight of manufacturing, testing and commissioning programs that will provide the cornerstones of a safe, reliable and sustainable higher-speed intercity rail program.

This project will require specialized expertise providing oversight that specification compliant designs and products are being delivered on schedule and within budget. This requirement for specialized expertise will contribute to the development of U.S.-based specialists with the critical skill sets necessary to advance the national expertise necessary to advance higher-speed intercity passenger rail service throughout the nation.

This program will serve as a catalyst to develop new engineering professionals in this field. The State of California already possesses a diverse work force and an ample university system which will help provide the technical and managerial work force to support the development of high-speed and intercity passenger rail expertise over the next several decades.

Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## F. Additional Information

- (1) Please provide any additional information, comments, or clarifications and indicate the section and question number that you are addressing (e.g., Section E, Question 1B). This section is optional.**

Section E, Question 4  
 Authorizing Statute for Authority  
 California Public Utilities Code  
 SECTION 185000-185012

185000. This division shall be known, and may be cited, as the California High-Speed Rail Act.

185010. The Legislature hereby finds and declares all of the following:

- (a) California, over the past decades, has built an extensive network of freeways and airports to meet the state's growing transportation needs.
- (b) These facilities are not adequate to meet the mobility needs of the current population.
- (c) The population of the state and the travel demands of its citizens are expected to continue to grow at a rapid rate.
- (d) The cost of expanding the current network of highways and airports fully to meet current and future transportation needs is prohibitive, and a total expansion strategy would be detrimental to air quality.
- (e) Intercity rail service, when coordinated with urban transit and airports, is an efficient, practical, and less polluting transportation mode that can fill the gap between future demand and present capacity.
- (f) Advances in rail technology have allowed intercity rail systems in Europe and Japan to attain speeds of up to 200 miles per hour and compete effectively with air travel for trips in the 200 to 500-mile range.
- (g) Development of a high-speed rail system is a necessary and viable alternative to automobile and air travel in the state.
- (h) In order for the state to have a comprehensive network of high-speed intercity rail systems by the year 2020, it must begin preparation of a high-speed intercity rail plan similar to California's former freeway plan and designate an entity with stable and predictable funding sources to implement the plan.
- (i) Utilizing existing human and manufacturing resources to build a large network of high-speed rail systems will generate jobs and economic growth for today's population and produce a transportation network for future generations.
- (j) Upon confirmation of the need and costs by detailed studies, the private sector, together with the state, can build and operate new high-speed intercity rail systems utilizing private and public financing.
- (k) The existing high-speed rail commission is completing its work and a successor authority to continue planning is necessary.

185012. As used in this division, unless the context requires otherwise, the following terms have the following meanings:

- (a) "Authority" means the High-Speed Rail Authority.
- (b) "Department" means the Department of Transportation.
- (c) "High-speed rail" means intercity passenger rail service that utilizes an alignment and technology that makes it capable of sustained speeds of 200 miles per hour or greater.

CALIFORNIA CODES  
 PUBLIC UTILITIES CODE  
 SECTION 185020-185024

185020. (a) There is in state government a High-Speed Rail Authority.

- (b) (1) The authority is composed of nine members as follows:
  - (A) Five members appointed by the Governor.
  - (B) Two members appointed by the Senate Committee on Rules.
  - (C) Two members appointed by the Speaker of the Assembly.

(2) For the purposes of making appointments to the authority, the Governor, the Senate Committee on Rules, and the Speaker of the Assembly shall take into consideration geographical

diversity to ensure that all regions of the state are adequately represented.

- (c) Except as provided in subdivision (d), and until their successors are appointed, members of the authority shall hold office for terms of four years. A vacancy shall be filled by the appointing power making the original appointment, by appointing a member to serve the remainder of the term.
- (d) (1) On and after January 1, 2001, the terms of all persons who are then members of the authority shall expire, but those members may continue to serve until they are reappointed or until their successors are appointed. In order to provide for evenly staggered terms, persons appointed or reappointed to the authority after January 1, 2001, shall be appointed to initial terms to expire as follows:
  - (A) Of the five persons appointed by the Governor, one shall be appointed to a term which expires on December 31, 2002, one shall be appointed to a term which expires on December 31, 2003, one shall be appointed to a term which expires on December 31, 2004, and two shall be appointed to terms which expires on December 31, 2005.
  - (B) Of the two persons appointed by the Senate Committee on Rules, one shall be appointed to a term which expires on December 31, 2002, and one shall be appointed to a term which expires on December 31, 2004.
  - (C) Of the two persons appointed by the Speaker of the Assembly, one shall be appointed to a term which expires on December 31, 2003, and one shall be appointed to a term which expires on December 31, 2005.
- (2) Following expiration of each of the initial terms provided for in this subdivision, the term shall expire every four years thereafter on December 31.
- (e) Members of the authority are subject to the Political Reform Act of 1974 (Title 9 (commencing with Section 81000)).
- (f) From among its members, the authority shall elect a chairperson, who shall preside at all meetings of the authority, and a vice chairperson to preside in the absence of the chairperson. The chairperson shall serve a term of one year.
- (g) Five members of the authority constitute a quorum for taking any action by the authority.

- 185022. (a) Each member of the authority shall receive compensation of one hundred dollars (\$100) for each day that the member is attending to the business of the authority, but shall not receive more than five hundred dollars (\$500) in any calendar month.
- (b) Members of the authority shall be reimbursed for their actual travel expenses incurred in attending to the business of the authority.
- 185024. (a) The authority shall appoint an executive director, who shall serve at the pleasure of the authority, to administer the affairs of the authority as directed by the authority.
- (b) The executive director is exempt from civil service and shall be paid a salary established by the authority and approved by the Department of Personnel Administration.
- (c) The executive director may, as authorized by the authority, appoint necessary staff to carry out the provisions of this part.

CALIFORNIA CODES  
PUBLIC UTILITIES CODE  
SECTION 185030-185038

- 185030. The authority shall direct the development and implementation of intercity high-speed rail service that is fully integrated with the state's existing intercity rail and bus network, consisting of interlinked conventional and high-speed rail lines and associated feeder buses. The intercity network in turn shall be fully coordinated and connected with commuter rail lines and urban rail transit lines developed by local agencies, as well as other transit services, through the use of common station facilities whenever possible.
- 185032. (a) (1) Upon an appropriation in the Budget Act for that purpose, the authority shall prepare a plan for the construction and operation of a high-speed train network for the state, consistent with and continuing the work of the Intercity High-Speed Rail Commission conducted prior to January 1, 1997. The plan shall include an appropriate network of conventional intercity passenger rail service and shall be coordinated with existing and planned commuter and urban rail systems.
- (2) The authorization and responsibility for planning, construction, and operation of high-speed passenger train service at speeds exceeding 125 miles per hour in this state is exclusively granted to the authority.
- (3) Except as provided in paragraph (2), nothing in this subdivision precludes other local, regional, or state agencies from exercising powers provided by law with regard to planning or operating, or both, passenger rail service.
- (b) The plan, upon completion, shall be submitted to the Legislature and the Governor for approval by the enactment of a statute.

185034. The authority may do any of the following:

- (1) Conduct engineering and other studies related to the selection and acquisition of rights-of-way and the selection of a franchisee, including, but not limited to, environmental impact studies, socioeconomic impact studies, and financial feasibility studies.
- (2) Evaluate alternative high-speed rail technologies, systems and operators, and select an appropriate high-speed rail system.
- (3) Establish criteria for the award of a franchise.
- (4) Accept grants, fees, and allocations from the state, from political subdivisions of the state or from the federal government, foreign governments, and private sources.
- (5) Select a proposed franchisee, a proposed route, and proposed terminal sites.
- (6) Enter into contracts with public and private entities for the preparation of the plan.
- (7) Prepare a detailed financing plan, including any necessary taxes, fees, or bonds to pay for the construction of the high-speed train network.
- (8) Develop a proposed high-speed rail financial plan, including necessary taxes, bonds, or both, or other indebtedness, and submit the plan to the Legislature and to the Governor.
- (9) Keep the public informed of its activities.

185036. Upon approval by the Legislature, by the enactment of a statute, or approval by the voters of a financial plan providing the necessary funding for the construction of a high-speed network, the authority may do any of the following:

- (a) Enter into contracts with private or public entities for the design, construction and operation of high-speed trains. The contracts may be separated into individual tasks or segments or may include all tasks and segments, including a design-build or design-build-operate contract.
- (b) Acquire rights-of-way through purchase or eminent domain.
- (c) Issue debt, secured by pledges of state funds, federal grants, or project revenues. The pledge of state funds shall be limited to those funds expressly authorized by statute or voter-approved initiatives.
- (d) Enter into cooperative or joint development agreements with local governments or private entities.
- (e) Set fares and schedules.
- (f) Relocate highways and utilities.

185038. Any legal or equitable action brought against the authority shall be brought in a court of competent jurisdiction in the County of Sacramento. For purposes of this section, subdivision (1) of Section 401 of the Code of Civil Procedure does not apply.

Corridor Program Name: CA-ALTAMONTCORRIDORRAIL-NEPA/CEQA Date of Submission: 10/01/09 Version Number: 1

## G.Summary of Application Materials

Note: In addition to the requirements listed below, applicants must comply with all requirements set forth in the HSIPR Guidance and all applicable Federal laws and regulations, including the American Recovery and Reinvestment Act of 2009 (ARRA) and the Passenger Rail Investment and Improvement Act of 2008 (PRIIA).

Application Forms	Required for Corridor Programs	Required for Projects [See Note Below]	Reference	Comments
<input checked="" type="checkbox"/> This Application Form	✓		HSIPR Guidance Section 4.3.3.3	
<input checked="" type="checkbox"/> Corridor Service Overview (Same Corridor Service Overview may be used for multiple applications)	✓		HSIPR Guidance Section 4.3.3.3	
Supporting Forms (Forms are provided by FRA on Grant Solutions and the FRA website)	Required for Corridor Programs	Required for Projects [See Note Below]	Reference	Comments
<input checked="" type="checkbox"/> General Info	✓	✓	HSIPR Guidance Section 4.3.5	FRA Excel Form
<input checked="" type="checkbox"/> Detailed Capital Cost Budget	✓	✓	HSIPR Guidance Section 4.3.5	FRA Excel Form
<input checked="" type="checkbox"/> Annual Capital Cost Budget	✓	✓	HSIPR Guidance Section 4.3.5	FRA Excel Form
<input checked="" type="checkbox"/> Operating and Financial Performance and Any Related Financial Forms	✓		HSIPR Guidance Section 5.3.5	FRA Excel Form

<input checked="" type="checkbox"/> Program or Project Schedule	✓	✓	HSIPR Guidance Section 4.3.5	FRA Excel Form
<b>Supporting Documents</b> <i>(Documents to be generated and provided by the applicant)</i>	<b>Required for Corridor Programs</b>	<b>Required for Projects [See Note Below]</b>	<b>Reference</b>	<b>Comments</b>
<input checked="" type="checkbox"/> Map of Corridor Service	✓		Corridor Service Overview Question B.2	
<input checked="" type="checkbox"/> Service Development Plan	✓		HSIPR Guidance Section 1.6.2	
<input checked="" type="checkbox"/> “Service” NEPA	✓		HSIPR Guidance Section 1.6.2	
<input checked="" type="checkbox"/> Project Management Plan	✓		HSIPR Guidance Section 4.3.3.2	
<input type="checkbox"/> “Project” NEPA (Required before obligation of funds)		✓	HSIPR Guidance Section 1.6.2	
<input checked="" type="checkbox"/> PE Materials	✓	✓	HSIPR Guidance Section 1.6.2	
<input checked="" type="checkbox"/> Stakeholder Agreements	✓	✓	HSIPR Guidance Section 4.3.3.2	
<input checked="" type="checkbox"/> Financial Plan	✓	✓	HSIPR Guidance Section 4.3.3.2	
<input checked="" type="checkbox"/> Job Creation	✓	✓	HSIPR Guidance Section 1.6.2	

Standard Forms (Can be found on the FRA website and www.forms.gov)	Required for Corridor Programs	Required for Projects [See Note Below]	Reference	Comments
<input checked="" type="checkbox"/> SF 424: Application for Federal Assistance	✓		HSIPR Guidance Section 4.3.3.3	Form
<input checked="" type="checkbox"/> SF 424C: Budget Information-Construction	✓		HSIPR Guidance Section 4.3.3.3	Form
<input checked="" type="checkbox"/> SF 424D: Assurances-Construction	✓		HSIPR Guidance Section 4.3.3.3	Form
<input checked="" type="checkbox"/> FRA Assurances Document	✓		HSIPR Guidance Section 4.3.3.3	Form
<b>Note: Items checked under “Corridor Programs” are required at the time of submission of this Track 2 Corridor Programs application. Items checked under “Projects” are optional at the time of submission of this Track 2 Corridor Programs application, but required prior to FD/Construction grant award.</b>				

**PRA Public Protection Statement:** Public reporting burden for this information collection is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. According to the Paperwork Reduction Act of 1995, a federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with, a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is **2130-0583**.